## **Prepared Statement of Senator Sherrod Brown**

Hearing, Senate Commerce Committee
National Network of Manufacturing Innovation
November 13, 2013

Chairman Rockefeller, Ranking Member Thune, thank you for holding this hearing.

West Virginia and Ohio share a border and citizens of one state often work at manufacturing plants in the other, or vice versa. So, Senator Rockefeller, I've always been proud to stand shoulder-to-shoulder with you in defending our glass and steel manufacturers against unfair trade practices, and now I look forward to promoting new technologies that will make our region, and nation, a leader in advanced manufacturing.

I'd also like to acknowledge Senator Blunt, who is as strong an advocate for American manufacturing as there is, and I'm proud to partner with him in writing the legislation that this Committee is considering today.

Sen. Blunt and I spoke on the Senate floor a few days ago about the kind of bipartisan effort we have on manufacturing. And he asked the right question, "How can we have a strong economy if we do not produce?"

In Ohio, and Missouri, we know that manufacturing is a ticket to the middle class.

For too long, Washington has made choices that leave manufacturing behind, whether it's bad trade deals, not enforcing trade laws, unfair taxes, and a failure to focus on innovation and technology.

As a result, we've seen communities like Lordstown, Cleveland, and Dayton live with the consequences of more than 60,000 plant closures and more than 5 million manufacturing jobs lost since 2000.

This devastates manufacturing communities, but it also affects our entire economy. Why?

Well, as the Commerce Department tells us, every dollar in final sales of manufactured products supports \$1.48 in output from other sectors.

This is the largest economic multiplier of any sector.

We've seen an uptick in manufacturing job growth, the first time since the 1990s. But for too long we've been suffering from an "innovate here, make it there" syndrome. Now more than ever we need to do more to retain and attract new manufacturing jobs, which is what our legislation is all about.

Along the Ohio turnpike, you can see the ripple effects of manufacturing. From Akron, which was once the leading tire manufacturer to Cleveland where we make steel and autos, to Toledo, where glass manufacturing was prominent.

We can see how manufacturing innovation in one area leads to other manufacturing innovation – because of tires, Akron is now a leader in polymers. Because of glass, Toledo has become a solar center.

And what we're doing in Ohio to expand our skills is catching the nation's attention. President Obama will stop at ArcelorMittal in Cleveland tomorrow. Workers at this plant are now making advanced, high-strength steel, which is being used in the auto industry – great news for the nearly 850,000 Ohio jobs tied to auto manufacturing.

*The point I want to emphasize is that location of manufacturing matters.* 

As you all know, it is far easier for an engineer to walk across the street to the plant than it is to take a 14-hour flight to fix a problem – or attempt a new process.

Our proposal, the Network for Manufacturing Innovation (NMI), would expand on our recent successes to create public-private partnerships focused on bridging the commercialization gap for technologies identified by industry. These regional, industry-led institutes will leverage local expertise and provide stable, high-wage employment for millions of next-generation workers.

In August, the first-ever National Additive Manufacturing Innovation Institute (NAMII) opened in Youngstown, Ohio.

The institute, driven by a TechBelt corridor crossing Ohio, Pennsylvania, and West Virginia, is supported by \$30 million of federal funding matched by \$40 million of private funds – aimed to accelerate 3D printing commercialization.

The Youngstown center directly addresses the "innovate here, make it there" syndrome by tying together manufacturing supply chains with product development.

Nations that we compete with—such as Germany, South Korea, and Japan — have made tremendous efforts to develop the exact type of private-public approach embodied in Youngstown and through our legislation.

And, we need to catch up with these countries. According to the U.S. Census Bureau, in 2012 the United States trade deficit in advanced technology products was over \$91 billion. This balance has not been positive since 2001.

It is time we seize this opportunity in manufacturing by establishing, authorizing, and appropriating funds for the NMI program.

Our commonsense, bipartisan legislation – which has been endorsed by the National Association of Manufacturers, the Semiconductor Equipment Manufacturers Industry, the Information Technology & Innovation Foundation, the AFL-CIO, and other business, labor, and university groups – is an investment in a new manufacturing and innovation infrastructure, and a desperately needed vehicle to capture a return on the money funneled towards basic research.

We are at a moment of great opportunity for manufacturing.

Recent discoveries of vast oil and gas deposits mean cheaper inputs for domestic manufacturing – combined with the trend towards the "insourcing" of jobs that had been moved overseas – are positives signs for American manufacturing.

It's critical that we capitalize on these trends and signal to the world that we are serious about reclaiming our position as the global manufacturing leader

A Network for Manufacturing Innovation will pay dividends on a shared public-private investment well into the future and strengthen our competitiveness.

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